



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

December 4, 2012

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**AMENDMENT NO. 1 TO LEASE NO. 74118
DEPARTMENT OF COMMUNITY AND SENIOR SERVICES
4513 EAST COMPTON BOULEVARD, COMPTON
(SECOND DISTRICT) (3 VOTES)**

SUBJECT

The recommendation is a six-year lease amendment for the Department of Community and Senior Services to provide continued use of existing office space and 18 parking spaces.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the lease amendment is categorically exempt from the provisions of the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, on November 17, 1987, and Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).
2. Approve and instruct Chairman to sign the amendment for a six-year lease renewal with Steven Wuo (Lessor), for the continued occupancy of 4,436 square feet and 18 parking spaces for the Department of Community and Senior Services located at 4513 East Compton Boulevard, Compton, at an annual first year rent not to exceed \$65,762, which is 100 percent net County cost.

Board of Supervisors
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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Since October 1984, the Department of Community and Senior Services (DCSS) has occupied 4,436 square feet of office/community center located at 4513 East Compton Boulevard, Compton. The East Rancho Dominguez Service Center (Service Center) houses approximately 17 staff, who provides job training, welfare rights, senior employment, food pantry, and educational workshops to an approximate 100,000 senior population living in close proximity to the Service Center. Additionally, the Service Center has implemented computer training and after school computer stations for the senior community and school aged children within this service area.

The lease expired on August 31, 2012, and has been on a month-to-month holdover while the Landlord and the County of Los Angeles (County) completed lease renewal negotiations.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize the effectiveness of County operations to support the timely delivery of customer-oriented and efficient public services. In this case, the County is supporting this goal by providing an office/community center that will streamline and improve support services. This proposed lease amendment complies with the Strategic Asset Management Principles, as shown in Attachment A.

FISCAL IMPACT/FINANCING

The cost for the first year of this lease amendment shall not exceed \$65,762 based on the terms and conditions of the lease which has annual fixed rent increases over the six-year term. The program is 100 percent net County cost.

| 4513 E. COMPTON BLVD. | EXISTING LEASE NO. 74118 | LEASE RENEWAL | CHANGE |
|------------------------------|---|---|---|
| Area | 4,436 square feet | 4,436 square feet | None |
| Term | 08/01/2007 – 08/31/2012 Month-to-Month 09/01/2012 | Upon Board approval, for a 6-year term | New 6-year term |
| Annual Base Rent | \$62,762 | \$65,762 | +\$3,000 |
| Parking | 18 spaces | 18 spaces | None |
| Cancellation | County may cancel any time after 36 th month upon 90 days prior written notice | County may cancel any time after November 30, 2015, upon 90 days prior written notice | County may cancel any time after November 30, 2015, upon 90 days prior written notice |
| Option to Renew | None | None | None |
| Rental Adjustment | Fixed increase of 3 percent of rent annually | Annual, fixed increase of \$250 per month | Annual, fixed increase of \$250 per month |

Sufficient funding for the proposed lease amendment is included in the Fiscal Year 2012-13 Rent Expense budget and will be charged back to DCSS.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed amendment provides approximately 4,436 rentable square feet of office/community center space located at 4513 East Compton Boulevard, Compton. The lease and lease amendment contain the following provisions.

- The amendment commences upon Board approval, and ends six years thereafter.
- The Lessor, at his sole cost, is providing tenant improvements including carpeting, painting, Americans with Disabilities Act (ADA) bathroom upgrades, exterior concrete repairs, and additional wrought iron fencing at front entrance.
- The County pays all utilities, interior maintenance, and janitorial service. The Lessor provides all exterior maintenance.
- The County has the right to cancel any time after November 30, 2015, by giving 90 days prior written notice.

The Chief Executive Office (CEO) Real Estate staff surveyed the County for alternative sites as requested by DCSS. Staff was unable to identify any sites in the surveyed area that could accommodate this requirement more economically. Additionally, CEO Real Estate staff surveyed the County areas that best could service the need of the department to determine the market rate of comparable sites. Based upon said survey, staff has established that the base rental range, including parking, for similar property is between \$15 and \$24 per square foot per year modified full-service. Thus, the base annual rent of \$14.82, including parking, per square foot for the base lease cost is below the market range. Attachment B shows County-owned and leased facilities within the search area for these programs and none are available to house these programs.

The Department of Public Works previously inspected this facility for seismic compliance and concluded the facility met the requirements for County occupancy.

An ADA assessment was conducted and minor corrections are being completed by the Lessor to make the Premises ADA compliant.

NEGATIVE DECLARATION/ENVIRONMENTAL IMPACT REPORT

The CEO has concluded that this project is exempt from California Environmental Quality Act (CEQA) pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease renewal continues to provide the necessary office/community center space for this County requirement. DCSS concurs with the proposed lease renewal.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors return two certified copies of the Minute Order and the adopted, stamped Board letter to the CEO, Real Estate Division, 222 South Hill Street, Los Angeles, CA 90012.

Respectfully submitted,



WILLIAM T. FUJIOKA
Chief Executive Officer

WTF:RLR:CMM
CEM:TS:ns

Attachments

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Community and Senior Services

DEPARTMENT OF COMMUNITY AND SENIOR SERVICES
4513 EAST COMPTON BOULEVARD, COMPTON
 Asset Management Principles Compliance Form¹

| | | | | | |
|---|-----------------------------|--|-----|----|-----|
| 1. | Occupancy | | Yes | No | N/A |
| | A | Does lease consolidate administrative functions? | | | X |
| | B | Does lease co-locate with other functions to better serve clients? ² | X | | |
| | C | Does this lease centralize business support functions? ² | | | X |
| | D | Does this lease meet the guideline of 200 sq. ft of space per person? ² Lease does not meet 200 sq ft per person guidelines since the facility is used for a Community Center. | | X | |
| 2. | Capital | | | | |
| | A | Is it a substantial net County cost (NCC) program? 100 percent NCC. | X | | |
| | B | Is this a long term County program? | X | | |
| | C | If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy? | | X | |
| | D | If no, are there any suitable County-owned facilities available? | | X | |
| | E | If yes, why is lease being recommended over occupancy in County-owned space? | | | X |
| | F | Is Building Description Report attached as Attachment B? | X | | |
| | G | Was build-to-suit or capital project considered? The size of the service center does not require a build-to-suit. However, this program could be considered for future relocation anytime, as it has a cancellation anytime after the 36th month of the lease renewal. | | X | |
| 3. | Portfolio Management | | | | |
| | A | Did department utilize CEO Space Request Evaluation (SRE)? | X | | |
| | B | Was the space need justified? | X | | |
| | C | If a renewal lease, was co-location with other County departments considered? | | X | |
| | D | Why was this program not co-located? | | | X |
| | | 1. ____ The program clientele requires a "stand alone" facility. | | | |
| | | 2. <u> X </u> No suitable County occupied properties in project area. | | | |
| | | 3. <u> X </u> No County-owned facilities available for the project. | | | |
| | | 4. ____ Could not get City clearance or approval. | | | |
| | | 5. ____ The Program is being co-located. | | | |
| | E | Is lease a full service lease? ² Lessor negotiated in original lease to pay exterior maintenance, taxes and insurance. County pays interior maintenance, utilities and janitorial. | | X | |
| | F | Has growth projection been considered in space request? | X | | |
| | G | Has the Dept. of Public Works completed seismic review/approval? | X | | |
| ¹ As approved by the Board of Supervisors 11/17/98 | | | | | |
| ² If not, why not? | | | | | |

**SPACE SEARCH, THREE-MILE RADIUS OF
4513 EAST COMPTON BOULEVARD, RANCHO DOMINGUEZ
DEPARTMENT OF COMMUNITY AND SENIOR SERVICES**

| LACO | FACILITY NAME | ADDRESS | SQ. FT. GROSS | SQ. FT. NET | OWNERSHIP | SQ. FT. AVAIL |
|------|---|--|------------------|----------------|-----------|------------------|
| 6467 | AG COMM/WTS MEAS- SOUTH | 11012 GARFIELD AVE, SOUTH GATE | 21,902 | 15,325 | OWNED | NONE |
| 4238 | ANIMAL CONTROL #1 ADMINSTRATIVE BUILDING | 11258 GARFIELD AVE., DOWNEY 90242 | 8,449 | 2,772 | OWNED | NONE |
| 6723 | PUBIC LIBRARY LYNWOOD | 11320 BULLIS RD., LYNWOOD | 11,722 | 10,396 | OWNED | NONE |
| X349 | LYNWOOD REGIONAL JUSTICE CENTER COURTHOUSE | 11701 S ALAMEDA ST., LYNWOOD | 62,078 | 53,480 | FINANCED | NONE |
| X351 | CENTURY DETENTION – DETENTION ADMINISTRATION | 11705 S ALAMEDA ST., LYNWOOD 90262 | 20,706 | 17,600 | FINANCED | NONE |
| 0980 | PUBLIC LIBRARY –HOLLYALE | 12000 GARFIELD AVE., SOUTH GATE 90280 | 5,530 | 4,440 | LEASED | NONE |
| 1204 | HEALTH SERVICES- ADMISTRATION BUILDING 307/308 | 12817 DAHLIA AVE., DOWNEY 90242 | 26,475 | 17,125 | OWNEDD | NONE |
| 1203 | PUBLIC HEALTH FACILITIES BUILDING 300/302 | 12838 ERICKSON AVE., DOWNEY 90242 | 19,757 | 12,170 | OWNED | NONE |
| C500 | DPSS SOUTH FAMILY AP/ SPECIAL DISTRICT OFFICES | 17600 A/B/SANTA FE AVE., RANCHO DOMINGUEZ 90221 | 133,000 | 103,324 | LEASED | NONE |
| 6420 | COMPTON COURTHOUSE | 200 W COMPTON BLVD., COMPTON 90220 | 576,467 | 205,939 | FINANCED | NONE |
| X169 | DPSS COMPTON AP DISTRICT OFFICE | 211 E ALONDRA BLVD., COMPTON | 48,135 | 38,777 | OWNED | NONE |
| 3037 | MONA-DIRECTORS BUILDING COMFORT STATION | 2291 E 121 ST . COMPTON 90222 | 829 | 296 | OWNED | NONE |
| 5982 | PUBLIC LIBRARY- COMPTON | 240 W COMPTON BLVD, COMPTON | 43,842 | 15,830 | OWNED | NONE |
| A620 | PUBLIC LIBRARY EAST RANCHO DOMINGUEZ LIBRARY | 4205 E COMPTON BLVD., EAST COMPTON 90221 | 5,000 | 4,529 | LEASED | NONE |
| F325 | PW-FLOOD IMPERIAL YARD OFFICE | 5525 E IMPERIAL HWY., SOUTH GATE 90280 | 4,800 | 2,340 | PERMIT | NONE |
| A350 | ASSESSOR LONG BEACH REGIONAL OFFICE | 5898 CHERRY AVE., LONG BEACH 90808 | 12,450 | 6,991 | OWNED | NONE |
| X998 | LOS PADRINOS JUVENILE COURTHOUSE | 7281 E QUILL DR., DOWNEY 90242 | 47,231 | 24,470 | OWNED | NONE |
| A136 | FIRE-PARAMOUNT HAZARDOUS MATERIALS DIV OFFICE | 7300 E ALONDRA BLVD., PARAMOUNT 90723 | 1,928 | 1,830 | LEASED | NONE |
| A755 | PUBLIC LIBRARY ADMINISTRATION HDQS | 7400 E IMPERIAL HWY., DOWNEY 90242 | 68,000 | 55,733 | FINANCED | NONE |
| 0600 | DOWNEY COURTHOUSE | 7500 E IMPERIAL HWY., DOWNEY 90242 | 103,502 | 78,996 | FINANCED | NONE |
| 3385 | RANCHO-HOSPITAL OFFICE BUILDING 500 | 7601 IMPERIAL HWY., DOWNEY 90242 | 139,789 | 63,850 | FINANCED | NONE |
| 1100 | PUBLIC SAFETY HDQTRS/ HEALTH SVCS BUREAU | 7601 IMPERIAL HWY., DOWNEY 90242 | 15,482 | 9,221 | OWNED | NONE |
| X238 | RANCHO SUPPORT SERVICES ADMINISTARTION BLDG. | 7601 IMPERIAL HWY., DOWNEY 90242 | 66,200 | 56,002 | FINANCED | NONE |
| 1100 | PUBLIC SAFETY HDQS HEALTH SVCS BUREAU | 7601 IMPERIAL HWY., DOWNEY 90242 | 51,114 | 9,221 | OWNED | NONE |
| 0370 | COMPTON AIRPORT ADMIN BUILDING | 901 W ALONDRA BLVD., COMPTON 90220 | 2,880 | 2,592 | OWNED | NONE |

AMENDMENT NO.1 TO LEASE NO.74118
DEPARTMENT OF COMMUNITY AND SENIOR SERVICES
4513 EAST COMPTON BLVD., COMPTON

This Amendment No. 1 to Lease No. 74118 ("Amendment") is made and entered into effective as of this _____ day of _____, 2012 by and between Steven Wuo, ("Lessor"), and the COUNTY OF LOS ANGELES, a body politic and corporate, ("Lessee").

Whereas, Lessor, successor in interest to Edwin F. Nishikawa Trust, as owner of the property located at 4513 East Compton Boulevard, Compton, ("Property"), and Lessee entered into that certain lease and agreement No. 74118 dated August 6, 2002, and five year option to renew dated July 31, 2007 ("Lease") for approximately 4,436 gross square feet of building ending August 31, 2012 for use by the Department Community and Senior Services ("DCSS");

Whereas, the Lease has continued through mutual holdover beginning September 1, 2012 and terminating November 30, 2012 ("Holdover Period");

Whereas, the parties now desire to amend said Lease to increase the term of the Lease beyond the Holdover Period termination date for an additional term of six years ("Second Lease Extension"), commencing December 1, 2012 or upon approval by the Board of Supervisors, County of Los Angeles ("Board of Supervisors"), whichever occurs last.

NOW, THEREFORE, in consideration of the rents, covenants and agreements herein contained, and intended to be legally bound, Lessor and Lessee hereby covenant and agree the following amendments are effective upon the date above written:

1. TERM. Paragraph 2. Term, is amended to provide that the term of the Lease will expire upon the later of November 30, 2018 or the date the Board of Supervisors of the County of Los Angeles has approved the extension of the term for six (6) years.

2. RENT. Paragraph 3 Rent, is deleted in its entirety and in its place shall be substituted the following:

"Lessee shall continue to pay a monthly rent for the Premises in the amount of \$5,480.20 per month, or \$1.235 per square foot, ("Base Rent"). All rent payable under this Lease, as amended, and shall be due and payable without demand on or before the first day of each calendar month, except that Rent for any fractional calendar month at the commencement or end of the Term shall be prorated on a daily basis. Lessor shall file a Payment Voucher annually therefore, during each month of June, with the Auditor of the County of Los Angeles (the "County"). The monthly Base Rent shall increase by \$250 per month, annually, over the prior year monthly Base Rent through the term of the Lease."

3. CANCELLATION. Paragraph 5. Cancellation is hereby deleted in its entirety and in its place hereby amended by adding the following:

"Lessee shall have a right to cancel during the lease term anytime after November 30, 2016. Lessee must give Lessor not less than Ninety (90) days prior written notice of its intent to cancel and is responsible for reimbursement of tenant improvements amortized at six (6%) percent over the six (6) year term of the lease.."

4. Paragraph 30. Tenant Improvements shall be inserted as follows:

"30. TENANT IMPROVEMENTS. Lessor will cause, at his sole cost and expense, to be constructed at the Premises, interior and exterior improvements, to begin by January 15, 2013 and to be completed within One Hundred Eighty (180) days as follows:

- 1) Replace carpet throughout the Premises with carpet tile, per Lessee's specification. Carpet installation will include lifting all modular furniture and file cabinets as needed, during installation, and will include a contract for a vendor to clean annually throughout the lease term all carpet areas. Replace Vinyl Composition Tile throughout the premises with new tile, as needed, per Lessee's specification.
- 2) Paint all interior walls, including hallways, common areas, restrooms, conference rooms, lunch/ break rooms, and existing hollow metal door frames, per a list provided by Lessee. Lessor is not responsible to move or paint behind modular panels and/or attached furniture.
- 3) Comply with all American s with Disabilities Act ("ADA") required upgrades to include but not restricted to enlarging one bathroom, installing railings around water fountains, and installing exterior parking signage.
- 4) Replace the concrete pad at the front entrance of the Premises, and expand wrought iron fencing to enclose and secure front entrance.

Replace and or repair entire roof of the building.

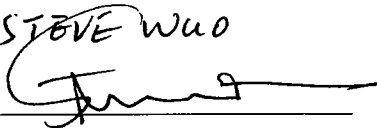
Any expenditure by the Lessor, even if it benefits the Lessor, shall not be recovered by the Lessor, who shall solely bear the risk of loss for incurring such liabilities."

Signature page follows.

IN WITNESS WHEREOF, the Lessor has executed this Amendment or caused it to be executed, and the County of Los Angeles by order of its Board of Supervisors, has caused this Amendment to be executed on its behalf by the Chairman of said Board and attested by the Clerk thereof on the day, month, and year first above written.

LESSOR

By: STEVE WUO

By: 

ATTESTED:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Supervisors

Deputy

LESSEE


COUNTY OF LOS ANGELES

By _____

Chairman, Board of Supervisors

APPROVED AS TO FORM:

JOHN F. KRATTLI
COUNTY COUNSEL

By :

Deputy